



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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January 4, 2000

Will Wilson
Manti-La Sal National Forest
Ferron/Price Ranger District
115 West Canyon Road
P.O. Box 310
Ferron, Utah 84523

Re: Status Regarding Reclamation Bond and Large Mining Plan, Robert Steele, Levan Gypsum-Juab Gypsum, M/023/016, Juab County, Utah

Dear Mr. Wilson:

The Division received your facsimile on November 22, 1999, regarding a plan of operations called the Gunnison Gypsum project. Your fax informed us that the \$38,000 bond held by the Forest Service was posted by Mr. Bob Miller under the Gunnison Gypsum company name. We currently recognize this same mine plan as the Levan Gypsum project. We are enclosing a copy of the Large Mining Operation permit application which we received from Mr. Robert Steel on October 29, 1999 for this site. We pose the following questions to the Forest Service regarding this mining operation and the \$38,000 reclamation bond.

1. Can the Forest Service require that the Division of Oil, Gas, and Mining be considered a co-holder of this reclamation surety (Certificate of Deposit)?
2. The surety is held in another person's name - Donna Gail Miller. Does this connection also tie her to the reclamation obligation of this mining operation in the event of a bond forfeiture proceeding?
3. A portion of the mining disturbance is located on private lands. We assume that the \$38,000 surety only applies to affected Forest Service land. Please confirm.
4. Has the Forest Service calculated what percentage of the mining related disturbance is on USFS land versus private land?
5. What is Mr. Miller's involvement in this project? We never received a permit transfer form from Robert Steele which would effectively transfer the existing small mine permit and all associated reclamation responsibility to Bob Miller.

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6. We request a copy of the USFS contract (as referred to on the bond form) tying the \$38,000 Certificate of Deposit to this mine site.
7. Is there a USFS Plan of Operation and a reclamation surety estimate associated with the \$38,000 surety? If so, would you please provide us with a copy of these documents?
8. Is the project site called Levan, Gunnison, or the STD #1 mine? All of these names have been used in the permitting correspondence. For consistency and to eliminate future confusion, we should all agree on and use the same project name.
9. What is the legal description of the lands that the \$38,000 surety covers?
10. Robert Steele is the "designated operator" according to the USFS, is this correct?

The Large Mine permit application which we received from Robert Steele and Jack W. Dansie lists Robert Steele as the owner. Nowhere does Mr. Steele's plan mention Mr. Miller or the reclamation surety posted with the Forest Service.

Please provide us with this information so we can attempt to correct our files and bring this operation into compliance with state regulations. Do not hesitate to call me at (801) 538-5321 or Mr. Wayne Hedberg at (801) 538-5286, if you have any questions regarding this letter. We look forward to working with you to approve this large mining gypsum project and clear up any confusion or permitting discrepancies that may exist.

Sincerely,



Tom Munson
Reclamation Specialist
Minerals Reclamation Program

jb
Enclosure: Letter and LMO received 10/29/99 from Robert Steele
cc: Mary Ann Wright, DOGM
Robert Steele
M023016.ltr